



DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

SECNAVINST 5200.43  
ASN(RD&A)  
13 JUL 2018

SECNAV INSTRUCTION 5200.43

From: Secretary of the Navy

Subj: GOVERNMENT FURNISHED PROPERTY, ACCOUNTABILITY AND  
MANAGEMENT

Ref: See enclosure (1)

Encl: (1) References  
(2) Responsibilities  
(3) Records Management  
(4) Forms and Reports Control  
(5) 5200/2, Government-Furnished Property Pre-Award  
Compliance Checklist  
(6) 5200/1, Government-Furnished Property Compliance  
Checklist  
(7) Glossary and Terms  
(8) List of Acronyms

1. Purpose. Under the authority of references (a) and (b) (see enclosure (1)), this instruction:

a. Establishes the overarching Department of the Navy (DON) policy for accountability and management of Government Furnished Property (GFP);

b. Assigns roles and responsibilities within the DON for all DON GFP (see enclosure (2));

c. Aligns DON policies for GFP with Federal statutes, regulations and accounting standards, and Department of Defense (DoD) and DON policies for accountability and management of government property furnished to contractors;

d. Provides a framework for financial and physical accountability and management to support financial reporting, auditability requirements, and warfighter readiness;

e. Establishes a standard taxonomy for GFP.

13 JUL 2018

## 2. Applicability

a. This instruction applies to the Office of the Secretary of the Navy (SECNAV), the Chief of Naval Operations (CNO), the Commandant of the Marine Corps (CMC), and all U.S. Navy and U.S. Marine Corps entities within the DON.

b. This instruction applies to all GFP procured with General Fund (GF) or Working Capital Fund (WCF) to which the government holds title. GFP is defined as property in the possession of, or directly acquired by the government and subsequently furnished to the contractor for performance of a contract. GFP includes, but is not limited to, spares and property furnished for production, repair, maintenance, overhaul, modification, or contractor operation of government-owned equipment and vessels, Special Tooling (ST), and Special Test Equipment (STE). GFP also includes Contractor-Acquired Property (CAP) if the CAP is a deliverable under a cost contract when accepted by the government for continued use under the contract.

c. This instruction applies to all GFP provided on a classified contract and any classified property provided as GFP on unclassified contracts unless the requirements of this instruction conflict with requirements for maintaining national security, per reference (c). When the requirements of this instruction conflict with the requirements of reference (c), the security requirements of reference (c) shall take precedence.

d. This instruction does not apply to real property (structures or land), intellectual property, or software. Per reference (d), property purchased with Non-Appropriated Funds is not considered Federal property and therefore is not subject to this instruction.

3. Policy. This policy governs the accountability and management of GFP. This instruction does not supersede or supplant any higher-level regulation or instruction issued at the Federal or DoD level. It is SECNAV policy to:

a. Execute financial and physical management and accountability of GFP, per references (b) and (e) through (g), including the latest policies, procedures, standards, and mandates prescribed in references (g), (h), and (i) or directed

13 JUL 2018

by Federal, DoD, or DON regulations and policies or the laws that pertain to GFP accountability and financial requirements;

b. Require that Service-level policies for implementing accountability and management of GFP are in place and reviewed at least every five years. Initial Service-level policies shall be in place within 18 months following signature of this instruction;

c. Require management internal controls for GFP are in place, functioning, and are adhered to at all levels of command;

d. Furnish property only under the terms and conditions of an awarded contract and when meeting the circumstances described in references (g) and (h). Property shall be furnished only for performance of a specific contract. Ordinarily, contractors are required to furnish all property necessary to perform government contracts in accordance with the policies and procedures of reference (g);

e. Require written justification by the requiring activity whenever a determination is made to provide GFP, whether pre-award/solicitation or post contract award via modification. This written justification shall include a detailed analysis of all of the elements found in part 45 of reference (g) and Procedures, Guidance and Information (PGI) 245.103-70 in reference (h) and shall be added to the contract file when complete. The justification shall incorporate the benefits and the risks as well as an analysis of all costs and savings to the government, including the administrative costs of managing and accounting for GFP, to demonstrate that providing GFP is in the best interest of the government. Per PGI 245.103-70, this determination is not needed when contractors are furnished GFP for repair, modification, or overhaul under a contract;

f. Include all required GFP-related clauses from references (g), (h), and (i) in every time and material or cost reimbursement solicitation and contract, all contracts that have cost reimbursable Contract Line Item Numbers (CLINs), all fixed price contracts that will include government property, and all labor hour solicitations and contracts where government property is expected to be furnished. If a decision to provide government property is made post-award, the required GFP clauses also shall be added to the basic contract by modification before government

13 JUL 2018

property is provided to the contractor. Contracts subject to part 12 of reference (g), in which the aggregate value of all GFP is below the simplified acquisition threshold as defined in subpart 2.1 of reference (g), do not require these clauses unless the contractor is directed to acquire property for use under the contract that is titled in the Government;

g. Maintain accountable records in a government approved Accountable Property System of Record (APSR) for all general equipment, ST, STE, and serially managed Operating Materials and Supplies (OM&S) furnished to the contractor, regardless of acquisition value. Third party property management or accountability systems, such as custodial systems, shall not supersede or replace the APSR requirement;

h. Financially expense and retire accountable records from the APSR for non-serially managed OM&S provided to support repair or production contracts upon report of receipt by the contractor. As appropriate, the OM&S shall be capitalized into a construction in progress or OM&S in development account. The contractor shall track and maintain records for non-serially managed OM&S provided to support repair or production contracts, per section 52.245-1 of reference (g). Remaining balances shall be reconciled with contractor consumption records as part of the contract close out process or when the non-serially managed OM&S is determined to be excess or no longer required for performance on the contract;

i. Require all GFP to be listed in and accountable to one and only one contract utilizing required forms and technologies as directed by references (e), (f), and (h);

j. Require a unique line item, e.g. CLIN or exhibit line item, directing delivery for all CAP items associated with a contract that will be delivered. For CAP that will be delivered, but was not anticipated at time of contract award or not otherwise specified for delivery on an existing line item, a not separately priced line item directing delivery shall be added to the contract via modification. For all CAP that will be delivered that meets or exceeds the capitalization threshold, per reference (k), and for all ST, STE, and equipment designated for preservation and storage under a major defense acquisition program regardless of the component's capitalization threshold, such line items directing delivery shall be established as soon as the property is identified, per PGI 245.402-71(2) and PGI

13 JUL 2018

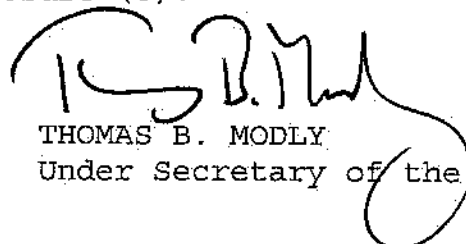
204.7103 of reference (h). Delivery of this property to the Government shall be scheduled as soon as practicable. When retained by the contractor for use under a contract, the delivered CAP items shall be added to the contract GFP attachment and become GFP;

k. Require electronic transactions when transferring government property to a contractor. Acceptable methods include utilizing the Wide Area Workflow e-Business Suite or Defense Logistics Management Standards compliant transactions. Contractors shall be directed to receipt property transferred from DoD and to initiate transfers returning or delivering property to DoD by including Defense Federal Acquisition Regulation Supplement (DFARS) clause 252.211-7007 in the contract;

l. Direct that unused or excess GFP be returned to Government control or transferred to follow-on contracts, per reference (h) and applicable DoD instructions. Disposition instructions for unused or excess GFP shall be issued as soon as the excess is identified without waiting for formal contract closeout processing to complete whenever practicable;

m. Maximize GFP visibility and accountability to support sustained auditability and warfighter readiness.

4. Responsibilities. See enclosure (2).
5. Records Management. See enclosure (3).
6. Forms and Reports Control. See enclosures (4) through (6).
7. Glossary and Terms. See enclosure (7).
8. List of Acronyms. See enclosure (8).



THOMAS B. MODLY  
Under Secretary of the Navy

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13 JUL 2018

# REFERENCES

- (a) SECNAVINST 5430.7R CH-1
- (b) SECNAVINST 5200.42
- (c) DoD Instruction 5200.01 of 21 April 2016
- (d) DoD Manual 4160.21, Volume 2, Defense Materiel Disposition: Property Disposal and Reclamation of 22 October 2015
- (e) DoD Instruction 5000.64 CH-1 of 22 July 2017
- (f) DoD Instruction 4161.02 of 27 April 2012
- (g) Federal Acquisition Regulation, current edition
- (h) Defense Federal Acquisition Regulation Supplement, current edition
- (i) Navy Marine Corps Acquisition Regulation Supplement, current edition
- (j) SECNAVINST 7320.10A
- (k) USD (AT&L) and USD (C) Joint Memorandum, "Elimination of Military Equipment Definition and Increase to Capitalization Thresholds for General Property, Plant and Equipment" dated 22 September 2013
- (l) SECNAVINST 5400.15C CH-1
- (m) SECNAVINST 5200.35F
- (n) Office of Management and Budget Circular A-136, Financial Reporting Requirements of 15 August 2017
- (o) DoD Instruction 7000.14 CH-1 of 17 September 2008
- (p) SECNAVINST 4440.33A
- (q) DoD Instruction 4140.01 of 14 December 2011

13 JUL 2018

**RESPONSIBILITIES**

1. Assistant Secretary of the Navy (Research, Development and Acquisition) (ASN (RD&A)) shall:

a. Ensure adequate policies are in place and provide full oversight for GFP accountability and management within the DON;

b. Designate a representative to coordinate with Assistant Secretary of the Navy (Financial Management and Comptroller) (ASN (FM&C)) to adjudicate any GFP-specific issues unresolved at the Service-level and serve as the SECNAV physical accountability representative on all GFP related matters;

c. Designate a representative to coordinate with ASN (FM&C) to co-lead a working group comprised of GFP subject matter experts to address issues and assist with developing Service-level GFP policies. This working group will convene as required to address GFP issues;

d. Designate a representative to develop property accountability reporting requirements and metrics with goals that measure efficient physical management of GFP and collect data provided by the Services. Collect, consolidate, analyze, and forward reports and feedback to the DoD and Services as appropriate. This includes, but is not limited to, data submitted by contracting officers and Heads of Contracting Activity (HCA) to determine compliance with requirements for contract assembly and clause inclusion as stated in references (g) through (i);

e. Designate a representative to coordinate with ASN (FM&C) to review, update, and promulgate changes to this policy not less than every five years and when changes to legislation, DoD guidance, or audit findings necessitate changes to this policy;

f. Designate a representative to interface with the Office of the Under Secretary of Defense (Acquisition, Technology and Logistics), on matters of GFP policies, procedures, execution, accountability and acquisition, and contractual requirements;

13 JUL 2018

g. Establish and enforce DON specific contractual requirements for GFP management and accountability through reference (i) and interim policy updates.

2. ASN (FM&C) shall:

a. Provide DON policy and guidance for accounting and financial management of GFP. Accounting and financial management includes, but is not limited to recording, valuing, depreciating, reporting, and disposal of GFP;

b. Designate a representative to coordinate with ASN (RD&A) to adjudicate any GFP-specific issues unresolved at the Service-level and serve as the SECNAV financial representative on all GFP related matters;

c. Designate a representative to coordinate with ASN (RD&A) to co-lead a working group comprised of GFP subject matter experts to address issues and assist with developing and managing Service-level GFP policies and strategies. This working group will convene as required to address GFP issues;

d. Designate a representative to coordinate with the CNO and CMC to ensure and periodically test that proper internal controls for GFP management required per reference (m) are being met;

e. Designate a representative to collect and review financial data submitted by the Budget Submitting Offices (BSOs) for financial reporting. Coordinate with the Defense Finance and Accounting Service to ensure all GFP is properly reported on the DON Financial Statements as required by reference (n);

f. Approve APSRs for use within the DON and maintain a list of approved government APSRs, per reference (a);

g. Designate a representative to coordinate with ASN (RD&A) to review, update, and promulgate changes to this policy not less than every five years and when changes to legislation, DoD guidance, or audit findings drive change to this policy.



13 JUL 2018

3. CNO and CMC shall:

a. Publish Service-level policies and procedures relating to GFP management and accountability that implement this policy and review them at least every five years. Service-level policies shall enable proper management control and safeguarding of DON's GFP while balancing risk and operational readiness. Initial Service-level policies shall be in place within 18 months following signature of this instruction;

b. Designate which approved government APSRs are authorized for financial and physical management of GFP within their respective Service;

c. Require Resource Sponsors to fully resource the GFP management requirements identified in this instruction and its references. Resource requirements include, but are not limited to manpower, information technologies, and systems architectures that support GFP management requirements;

d. Establish Service-wide standard taxonomy and business practices for procuring, managing, reutilizing, and reporting GFP;

e. Require adherence to Federal, DoD, and SECNAV regulations and policies with respect to managing, reutilizing, accounting, and reporting GFP;

f. Require Program Executive Officers (PEO), Program Managers (PM) and other requiring officials to include the administrative cost of managing and accounting for GFP in the decision whether or not to provide GFP.

4. BSO shall:

a. Coordinate with PEOs and requiring activities as applicable to establish processes to record all GFP in an APSR prior to furnishing the property to a contractor. Processes shall include procedures to create accountable records in the event the property is accepted in place and remains in the custody of the contractor as GFP;

13 JUL 2018

b. Coordinate with PEOs, as applicable, to establish a formal internal property management review process that requires annual peer, supervisor, and senior accountable official reviews of a representative sample of existing contracts. Reviews shall use SECNAV 5200/1 (see enclosures (4) and (6)) to ensure physical accountability and management requirements are met;

c. Assign trained, capable, and qualified individuals to provide contracting, financial, and logistics support to PEOs and PMS to properly manage GFP;

d. Establish local training programs to ensure all requirements generators, contracting officers, logisticians, and item managers are familiar with and abide by GFP rules and regulations.

e. Support common business practices across program offices.

f. Disseminate current GFP guidance and information throughout the Command including the latest policies, procedures, standards, and mandates established by the Federal Accounting Standards Advisory Board, DoD, DON, Federal regulation, and the laws that pertain to GFP accountability and financial requirements;

g. Require GFP be valued, per references (j), (o), or (p) as appropriate to the property type;

h. Coordinate with PEOs, as applicable, to establish procedures to ensure activities are using a Service-directed APSR, data is complete and accurate, and financial information is being reported properly;

i. Establish controls to ensure every GFP transaction is documented in the designated APSR(s) to support auditability. Controls shall be in place within 24 months following signature of this instruction.

5. HCA shall:

a. Establish procedures to ensure contracting officials are validating compliance with GFP requirements found in references

13 JUL 2018

(g) and (h) by utilizing SECNAV 5200/2 (see enclosures (4) and (5)), per reference (i) and including it in the Business Clearance Memorandum.

b. Establish processes to ensure excess or unused GFP is returned to government control or transferred to follow-on contracts, per reference (h) and applicable DoD instructions as soon as the excess is identified and without waiting for formal contract closeout processing to complete whenever practicable;

c. Establish command-wide standard inventory reporting requirements that direct contractors to provide on-hand inventory reports to support property type specific inventory requirements as set forth in references (e), (j), (p), and (q).

6. PEOs shall:

a. Coordinate with the appropriate Systems Command (SYSCOM) to establish processes to record all GFP in an APSR prior to furnishing the property to a contractor. Processes shall include procedures to create accountable records in the event the property is accepted in place and remains in the custody of the contractor as GFP;

b. Coordinate with the appropriate SYSCOM to establish procedures to ensure PMs and requiring officials establish and maintain accountable records and physical accountability of GFP per references (e), (f), and (q);

c. Coordinate with the appropriate SYSCOM to establish a formal internal property management review process that requires annual peer, supervisor, and senior accountable official reviews of a representative sample of existing contracts. Reviews shall use SECNAV 5200/1 (see enclosures (4) and (6)) to ensure physical accountability and management requirements are met.

7. Program Managers, Item Managers, and all Requiring Activities shall:

a. Provide written justification by the requiring activity whenever a determination is made to provide GFP, whether pre-award/solicitation or post contract award via modification. This written justification shall include a detailed analysis of all of the elements found in part 45 of reference (g) and PGI 245.103-70 in reference (h) and shall be added to the contract file when complete. The justification shall incorporate the

13 JUL 2018

benefits and the risks as well as an analysis of all costs and savings to the Government, including the administrative costs of managing and accounting for GFP to demonstrate that providing GFP is in the best interest of the government. Per PGI 245.103-70, this determination is not needed when contractors are furnished GFP for repair, modification, or overhaul under a contract;

b. Establish and maintain accountable records and physical accountability of all GFP per references (e), (f), and (g);

c. Conduct annual reviews of a representative sample of existing contracts to ensure contract compliance and physical accountability and management requirements are met using SECNAV 5200/1 (see enclosures (4) and (6)) GFP Checklist;

d. Direct disposition of unused or excess GFP as soon as the excess is identified and without waiting for formal contract closeout processing to complete whenever practicable. Unused or excess GFP shall be returned to government control or transferred to follow-on contracts, per reference (h) and applicable DoD instructions;

e. Provide a comprehensive list of all serially managed GFP, non-serially managed GFP, and items authorized to be requisitioned by the contractor and paid for by the government for inclusion in the contract or solicitation. At a minimum, this list shall include all data elements required to complete the GFP attachment found at PGI 245.103-72 of reference (f) and shall be provided in an electronic format that is compatible with attachment generation tools.

13 JUL 2018

**RECORDS MANAGEMENT**

1. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned according to the Big Bucket Records Schedule found on the Directives and Records Management Division (DRMD) portal page: <https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/SitePages/Home.aspx>

2. For questions concerning the management of records related to this instruction or the Big Bucket Records Schedule, please contact your local Records Manager or the DRMD program office.

13 JUL 2018

**FORMS AND REPORTS CONTROL**

1. The following SECNAV Forms are available through Naval Forms Online website (<https://navalforms.documentservices.dla.mil/>).

a. SECNAV 5200/1, Government-Furnished Property Compliance Checklist (see enclosure (6)).

b. SECNAV 5200/2, Government-Furnished Property Pre-Award Compliance Checklist (see enclosure (5)).

2. The reporting requirements contained within enclosure (2) paragraphs 1d and 5a are assigned SECNAV Report Control Symbol 5200-1.

13 JUL 2018

**GFP PRE-AWARD COMPLIANCE CHECKLIST**

SECNAV PCS 5200-1 (Effective 4/1/2018 through 4/1/2021)

SECNAVINST 5200.43

<b>Government-Furnished Property Pre-Award Compliance Checklist</b>		
<b>Instructions:</b> This checklist is designed to enable review of compliance with existing Government-Furnished Property (GFP) requirements as found in FAR, DFARS and DoD Policy. <ul style="list-style-type: none"> <li>• Lines 1 - 7: Enter information as appropriate.</li> <li>• Lines 8-17: Mark the appropriate box after validating that the clause or information is included in the contract.</li> <li>• Line 18: Mark the appropriate box after validating that the GFP justification has been provided for inclusion in the contract file.</li> <li>• Lines 19a-19c: Contracting Officer complete as appropriate.</li> </ul> Retain the completed form in the contract file with the Business Clearance Memorandum		
<b>SECTION 1 - GENERAL CONTRACT INFORMATION:</b>		
1. Contract or Solicitation Number:		2. Modification/Delivery Order/Task Order Number (if applicable):
3. Program Name:		4. Contracting Officer Name:
5. Program Manager Name:	6. Period of Performance Start Date:	7. Period of Performance End Date:
<b>SECTION 2 - CLAUSE/INFORMATION VALIDATION:</b>		
<b>NOTE: For lines 8-17 Mark the appropriate box after validating that the clause/information is included in the contract:</b>		
8. FAR clause 52.245-1 (Government Property with Alternate I or II):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
9. FAR clause 52.245-9 (Use and Charges):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
10. DFARS clause 252.245-7001 (Tagging, Labeling and Marking of GFP):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
11. DFARS clause 252.245-7002 (Reporting Loss of Government Property):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
12. DFARS clause 252.245-7003 (Contractor Property Management System Administration):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
13. DFARS clause 252.245-7004 (Reporting, Reutilization and Disposal):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
14. DFARS clause 252.211-7007 (Reporting of GFP):	YES <input type="checkbox"/>	NO <input type="checkbox"/>
15. FAR clause 52.245-2 (Government Property Installation Operation Services) (if applicable):	N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
16. DFARS clause 252.245-7000 (Government-Furnished Mapping, Charting and Geodesy Property) (if applicable):	N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
17. Validate all known GFP is listed on OSD mandated attachment per PGI 245.103-72 (Use form and instructions available at: <a href="http://dodprocurementtoolbox.com/site-pages/gfp-attachments">http://dodprocurementtoolbox.com/site-pages/gfp-attachments</a> )	N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>SECTION 3 - GFP JUSTIFICATION:</b>		
Mark the appropriate box after validating that the GFP justification has been provided for inclusion in the contract file		
18. Validate written justification to provide GFP is included in contract file: (per FAR 45.102(b) and DFARS PGI 245.103-70 (if GFP is planned or issued))	N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>SECTION 4 - CONTRACTING OFFICER SIGNATURE:</b>		
19a. Date of Review:	19b. Contracting Officer Name and Title:	19c. Contracting Officer Signature:
<input type="text"/>	<input type="text"/>	<input type="text"/>

13 JUL 2018

## GFP COMPLIANCE CHECKLIST

SECNAVINST 5200.43

Government-Furnished Property Compliance Checklist			
<b>Instructions:</b> This checklist is designed to enable review of compliance with existing Government-Furnished Property (GFP) requirements as found in FAR, DFARS and DoD Policy.			
<ul style="list-style-type: none"> <li>BLOCKS 1 - 7: Enter information as appropriate.</li> <li>BLOCKS 8-18: Reviewer validate clauses and required information are in the contract.</li> <li>BLOCKS 19-21: Reviewer validate GFP is listed in IUID Registry, Contractor's system and Accountable Property System of Record (APSR) and identify the Government APSR(s) used to track the GFP.</li> <li>BLOCK 22: Reviewer complete as appropriate.</li> </ul>			
<b>SECTION 1 - GENERAL CONTRACT INFORMATION:</b>			
1. Contract or Solicitation Number:		2. Modification/Delivery Order/Task Order Number (if applicable):	
3. Program Name:		4. Contracting Officer Name:	
5. Program Manager Name:		6. Period of Performance Start Date:	7. Period of Performance End Date:
<b>SECTION 2 - CLAUSE/INFORMATION VALIDATION:</b>			
<b>NOTE: For lines 8-17 Mark the appropriate box after validating that the clause/information is included in the contract:</b>			
8. FAR clause 52.245-1 (Government Property with Alternate I or II):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
9. FAR clause 52.245-9 (Use and Charges):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
10. DFARS clause 252.245-7001 (Tagging, Labeling and Marking of GFP):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
11. DFARS clause 252.245-7002 (Reporting Loss of Government Property):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
12. DFARS clause 252.245-7003 (Contractor Property Management System Administration):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
13. DFARS clause 252.245-7004 (Reporting, Reutilization and Disposal):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
14. DFARS clause 252.211-7007 (Reporting of GFP):		YES <input type="checkbox"/>	NO <input type="checkbox"/>
15. FAR clause 52.245-2 (Government Property Installation Operation Services) (if applicable):		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
16. DFARS clause 252.245-7000 (Government-Furnished Mapping, Charting and Geodesy Property) (if applicable):		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
17. Validate all known GFP is listed on OSD mandated attachment per PGI 245.103-72 (Use form and instructions available at: <a href="http://dodprocurementtoolbox.com/site-pages/gfp-attachments">http://dodprocurementtoolbox.com/site-pages/gfp-attachments</a> )		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>SECTION 3 - GFP JUSTIFICATION:</b>			
Mark the appropriate box after validating that the GFP justification has been provided for inclusion in the contract file			
18. Validate written justification to provide GFP is included in contract file: (per FAR 45.102(b) and DFARS PGI 245.103-70 (if GFP is planned or issued)		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>SECTION 4 - PROPERTY ACCOUNTABILITY:</b>			
19. Validate all GFP is reported to IUID Registry: (per DFARS 252.211-7007)		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
20. Validate all GFP captured in Contractor's Property Management System: (per FAR 52.245-1)		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
21. Validate all GFP is captured in APSR(s): (per DoDI 5000.64, DoDI 4161.02, SECNAVINST 5200.42, SECNAVINST 4440.33A)		N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
21a. Identify APSR(s) in use:			
Row #	Full Name of APSR (Accountable Property System of Record) System(s) In Use:	Acronym:	+
1			
<b>SECTION 5 - REVIEWER SIGNATURE:</b>			
22a. Date of Review:		22b. Reviewer Name and Title:	
		22c. Reviewer Signature:	



13 JUL 2018

**GLOSSARY AND TERMS**

1. Accountability. The obligation imposed by law, lawful order, or regulation accepted by an organization or person for keeping accurate records to ensure control of property, documents, or funds with or without physical possession. The obligation, in this context, refers to the fiduciary duties, responsibilities, and obligations necessary for protecting the public interest. However, it does not necessarily impose personal liability upon an organization or person.
2. Accountable Property System of Record (APSR). The government system used to manage and control accountable property records. A subset of existing organizational processes related to the life cycle management of property; the system that is integrated with the core financial system. The APSR may also control and manage accountability records. For the Secretary of the Navy, APSRs are approved by the Assistant Secretary of the Navy (Financial Management and Comptroller). Approved APSRs are designated for use at the Service-level. A full list of data elements required for approval as an APSR is located in reference (e).
3. Contractor Acquired Property (CAP). Any property acquired, fabricated, or otherwise provided by the contractor for performing a contract, and to which the government has title. NOTE: CAP that is subsequently delivered and accepted by the government for use on the same or another contract is considered Government Furnished Property (GFP).
4. Federal Accounting Standards Advisory Board (FASAB). An official body of the U.S. Government Executive Branch, the FASAB issues federal financial accounting standards and provides guidance after considering the needs of external and internal users of federal financial information.
5. Full Accountability. Full accountability of GFP requires that supporting documentation is maintained in sufficient detail to permit tracing balances from their source systems to amounts reported in financial statements. The supporting documentation shall demonstrate the inventory validity, existence, completeness, accuracy of physical and financial balances, valuation, and rights of obligations including but not limited

Enclosure (7)

13 JUL 2018

to receipts, material on hand validations, and documentation recording material condition.

6. General Equipment (GE). Tangible personal property that is functionally complete for its intended purpose, durable, and nonexpendable. GE typically has an expected service life of two years or more; is not intended for sale; does not ordinarily lose its identity or become a component part of another article when put into use; and has been acquired or constructed with the intention of being used. Per reference (e), property formerly classified as Military Equipment is now categorized as GE. For purposes of this instruction, GE includes Garrison Mobile Equipment. Department of the Navy (DON) GE is further defined in reference (h).

7. General Fund (GF). For purposes of this instruction, the GF represents all appropriated funds provided by Congress to the DON. GF monies may be used to pay acquisition, procurement, maintenance, research, development, operations, and personnel costs as directed in the appropriating legislation.

8. Government Furnished Property (GFP). Property in the possession of, or directly acquired by the government and subsequently furnished to the Contractor for performance of a contract. GFP includes, but is not limited to, spares and property furnished for production, repair, maintenance, overhaul, or modification, operation of government-owned equipment and vessels, special tooling, and special test equipment. GFP also includes CAP if the CAP is a deliverable under a cost contract when accepted by the government for continued use under the contract.

9. Government Property. All property owned or leased by the Government. Government property includes both GFP and CAP. Government property includes material, equipment, Special Tooling, Special Test Equipment, and real property. Government property does not include intellectual property and software.

10. Head of Contracting Activity (HCA). The official who has overall responsibility for managing the contracting activity. Contracting activities are elements of the DON designated by the agency head and delegated broad authority regarding acquisition functions. A list of contracting activities is located within PGI 202.101. of reference (h).

13 JUL 2018

11. Item Manager. An individual within the organization of an inventory control point or other such organization assigned management responsibility for one or more specific items of materiel.

12. Operating Materials and Supplies (OM&S). Department of Defense (DoD) defines OM&S as tangible personal property to be consumed in normal operations. DON OM&S is comprised of material such as replacement parts, components, assemblies, and residual property that are to be consumed in normal operations but are not held for sale.

13. Procedures Guidance and Information (PGI). Relevant procedures, guidance, and information that do not meet the criteria for inclusion in the Defense Federal Acquisition Regulation Supplement (DFARS) are issued in the DFARS companion resource, PGI. Unclassified, non-confidential memoranda, guidance, and other procurement-related policy documents issued by the Office of the Undersecretary of Defense (Acquisition, Technology and Logistics) are located in the appropriate PGI subpart. The contents of PGI are mandatory.

14. Program Manager (PM). Designated individual with responsibility for and authority to accomplish program objectives for development, production, and sustainment to meet the user's operational needs. The PM shall be accountable for credible cost, schedule, and performance reporting to the Milestone Decision Authority.

15. Real Property. Land and any interest in land, together with any buildings, fixtures, affixed improvements and structures, growing crops located thereon, and related appurtenances regardless of funding source.

16. Requiring Activity. The organization charged with meeting a mission and delivering requirements. The requiring activity is responsible for obtaining funding or developing the program objective memorandum. The requiring activity may also be the organizational unit that submits a written requirement or statement of need for services required by a contract.

17. Serially Managed/Non-Serially Managed Property. Serially managed property is uniquely identified to globally distinguish like items from each other using a unique item identifier.

13 JUL 2018

Serial Item Management enables tracking of unique items for the purposes of warranty, maintenance, or lifecycle support. Serially managed items usually have a Federal Logistics Information System indicator of "Y" in the "SIM" or "IUID" field. Conversely, non-serially managed property is not uniquely identified or distinguished from like items.

18. Special Test Equipment (STE). Either single or multipurpose integrated test units engineered, designed, fabricated, or modified to accomplish special purpose testing in performing a contract. It consists of items or assemblies of equipment including foundations and similar improvements necessary for installing STE, standard or general purpose items, or components that are interconnected and interdependent so as to become a new functional entity for special testing purposes. Special Test Equipment does not include material, Special Tooling, real property, and equipment items used for general testing purposes or property that with relatively minor expense can be made suitable for general purpose use.

19. Special Tooling (ST). Consists of jigs, dies, fixtures, molds, patterns, taps, gauges, and all components of these items including foundations and similar improvements necessary for installing special tooling, and which are of such a specialized nature that without substantial modification or alteration their use is limited to the development or production of particular supplies or parts thereof or to the performance of particular services. ST does not include material, special test equipment, real property, equipment, machine tools, or similar capital items.

20. Working Capital Fund (WCF). A revolving fund (or account) that relies on sales revenue rather than direct Congressional appropriations to finance its operations. A WCF generates revenue by charging customers a stabilized cost recovery rate to offset the full costs of its operations and to finance the fund's continuing operations without fiscal year limitation. A revolving fund is intended to operate on a break-even basis over time; that is, it neither makes a profit nor incurs a loss. WCFs provide a funding mechanism for DoD and DON corporate structures to absorb risk in planning investment programs for maintenance and supply.

13 JUL 2018

**LIST OF ACRONYMS**

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APSR	Accountable Property System of Record
ASN (FM&C)	Assistant Secretary of the Navy (Financial Management and Comptroller)
ASN (RD&A)	Assistant Secretary of the Navy (Research, Development and Acquisition)
BSO	Budget Submitting Office
CAP	Contractor Acquired Property
CLIN	Contract Line Item Number
FASAB	Federal Accounting Standards Advisory Board
GE	General Equipment
GF	General Fund
GFP	Government Furnished Property
HCA	Head of Contracting Activity
OM&S	Operating Materials and Supplies
PEO	Program Executive Officer
PGI	Procedures, Guidance, and Information
ST	Special Tooling
STE	Special Test Equipment
WCF	Working Capital Fund